Threat to suburb dailies seen

By MORRIE GELMAN

PALO ALTO, CAL.—A Stanford University professor here told the local Sigma Delta Chi chapter that the "glory days" of strong suburban daily newspapers "probably have passed."

James Rosse of the Stanford economics department pointed out, during a panel discussion, that suburban newspapers generally face a long-term threat from a combination of new electronic media, specifically computers, cable tv and other technologies capable of delivering saturation coverage in a well-defined community.

He made the point that many suburban papers already face competition from weeklies, throwaways and total market coverage papers. He believes that weeklies can "whittle away" the revenue base of suburban dailies, making them more vulnerable. The *Palo Alto Times*, he said, citing his home base, "probably was stronger relative to its market" than its successor, *Peninsula Times-Tribune* will be in the future.

On the subject of advertising and competition, Mr. Rosse, director of the newly formed Center for Economic Policy Research, said competitive newspaper markets are "extremely unstable," adding that "when one paper loses its circulation edge, a vicious cycle of lower advertising revenues and declining circulation quickly develops" in its wake.

Maintaining that he "hates" to draw such a conclusion (yet insisting that it's true), Mr. Rosse decided that "people buy newspapers to read advertisements."

To measure editorial quality, Mr. Rosse, in his studies, divided total editorial expense by the number of inches of news published. The results, which he described as "extremely consistent. . .and really incredible," ranged from as low as 15¢ to 20¢ per inch in newspapers which merely filled their pages with wire service copy to $10 or more for the *New York Times*.

He said rapidly rising newsprint prices and technological change were key reasons for the recent rash of failures among large-city papers.

In competitive cities, Mr. Rosse contended, "not a lot is explained" simply by whether a newspaper publishes in the morning or the afternoon. Afternoon newspapers tend to be "better off" in the West, he figures, since they have more time to report the day's news from places such as New York and Washington.

Northern California newspapers such as the *Hayward Review* and *San Rafael Independent-Journal* are relatively insulated from tv, enjoying a monopoly position in local markets, and have good density of circulation, according to Mr. Rosse's calculations. These make for "a powerful combination" of advantages, he observed.#

Chevron tries cash-sale discount

SAN FRANCISCO—Chevron USA, which for the past few months has watched sales slip as its competitors offered discounts for cash gasoline purchases, last week joined the oil marketing crowd. It joined the ranks of major oil companies, such as Exxon Corp., Mobil Corp. and Standard Oil Co. of Indiana, by offering two-tiered pricing, effective Nov. 1.

For the first time, Chevron stations will have separate pumps for cash and credit-card customers—a discount made possible with the imposition of a 3% processing fee on credit card sales on dealers.

While the domestic arm of Standard Oil of California is not allowed to dictate retail prices to its dealers, company sources say the move is designed to motivate dealers to more aggressively compete for lower-price cash business. The Los Angeles-based "Lundberg Survey," a gasoline marketing newsletter, estimates Chevron's market share in California has declined 2% during the January-to-July period. Industry sources tie the decline to Chevron's prices, which have been higher on the average than many competitors.

A company spokesman said Chevron is likely to start a consumer advertising campaign alerting the public to its new discount-for-cash policy in the near future, but so far firm plans have not been made. To date, Chevron is committed to providing dealers with point-of-purchase materials about its new pricing policy. J. Walter Thompson, USA here is Chevron's agency.#

Sale of Gannett daily

(Continued from Page 6)

the deal mostly is the government restriction on cross-ownership. Under fire for its ownership of two major outlets for opinion in San Francisco, Chronicle said that selling KRON is "largely prompted by the Federal Communications Commission policy on diversification of media ownership."

Chronicle Broadcasting's cross-ownership with the *Chronicle* is "grandfathered" into being allowed; FCC regulations barring joint ownership of broadcast and newspaper properties in the same market excluded existing combinations such as *Chronicle*/KRON.

For Gannett, San Francisco is certainly several steps up from Oklahoma City. In terms of Area of Dominant Influence (ADI) market designation, San Francisco is the fifth-largest market in the U.S. and Oklahoma City is 39th.

Gannett publishes 89 newspapers nationwide and owns tv stations in Atlanta, Denver, Phoenix, Little Rock, Louisville and Fort Wayne.

Gannett recently negotiated for the $75 million acquisition of the Metromedia station in Minneapolis, WTCN-TV, an NBC-TV affiliate, which, because of FCC limitations on the number of stations that can be owned by any one group, is forcing the sale of the Little Rock station, KARK-TV, also part of the NBC network.#

Biggar to head Nestle

WHITE PLAINS, N.Y.—Jean Caste, president-chief executive officer of Nestle Co., has added the title of chairman as that company, and other Nestle S.A. food companies in the U.S., undergo changes that will bring in a new top management team by next year.

David Guerrant, chairman and president, Nestle Enterprises, the holding company that oversees Nestle U.S. food operations, will retire at the end of 1983. At midyear, James M. Biggar, Stouffer Corp. president, will succeed Mr. Guerrant as president-chief executive officer of Nestle Enterprises. At that time, too, Mr. Caste will transfer to Nestle S.A., Vevey, Switzerland, to assume broader responsibilities, including those of food operations in the U.S., Canada and Puerto Rico.

The changes, to be completed before the end of 1983, appear to herald a stronger, centralized U.S. operation for all Nestle food businesses, including Stouffer Foods, Beech-Nut Nutrition Co. and Libby, McNeill & Libby.

C. Alan MacDonald, president, Stouffer Foods division, has been named exec vp-chief operating officer, Nestle Co., and he will move up to succeed Mr. Caste upon the latter's departure next year. Succeeding Mr. MacDonald at Stouffer is Robert McGuigan, formerly senior vp-sales and marketing. Stouffer is based in Solon, O.

Ian W. Murray, president of Chicago-based Libby, will become president, Nestle Enterprises, Toronto, next April, succeeding M. Erik Hansen, who is retiring.#

Phillips new VW chief exec

TROY, MICH.—Volkswagen of America, plagued with a big sales drop, replaced president James W. McLernon with a marketing expert, Noel Phillips.

Mr. Phillips was a former exec vp-sales and marketing of VW from 1978 to 1980. He becomes chief executive officer effective Nov. 1. He had been managing director of the McCarthy Group, a South African vehicle distributor.

Mr. McLernon joined VW in 1976 from Chevrolet, where he had been a manufacturing executive. He was hired to build VW's first automotive assembly plant in the U.S., in New Stanton, Pa. At a time when VW needed extra capacity and could sell just about all the cars it made, Mr. McLernon moved from president of VW Manufacturing to head of VWoA. But sales of the fuel-efficient Rabbit tailed off 41% this year after a disappointing 1981, and Mr. Phillips was rehired. Mr. McLernon didn't reveal his future plans.#

100 leading advertiser addenda

The following are corrections and additions to our 100 Leading National Advertisers report, published Sept. 9. They involve American Home Products Corp.

American Home Products Corp.

Earnings for 1981 were $497,332,000, and Whitehall Laboratories' Diet Gard received $898,000 in ad support.

MARKETING AND ADVERTISING AGENCY PERSONNEL AND INFORMATION

John W. Culligan, chairman-ceo

Whitehall Laboratories

Rosenfeld, Sirowitz & Lawson, New York, also handles Preparation H cleansing pads, Dristan capsules, Diet Gard, Dry & Clear, Sleep-Eze.

Kornhauser & Calene, New York, also handles Prepcort, Youthgarde, aspirin-free Arthritis Pain Formula.

Franklin Laboratories

The agency is Sander Allen, Chicago.

Boyle Midway

Cunningham & Walsh, New York, handles Antrol, Aerowax, Easy-Off Mildew Stain Remover, Pine & Shine, Depend-O, HR carpet cleaning program, Snarol, Wizard charcoal lighter, Woolite, Woolite Gentle Cycle powder, Woolite self-cleaning and Woolite spray-foam rug cleaners, Woolite upholstery cleaner.

BBDO, Chicago, handles Pam, Wizard air fresheners, Wizard rug and room deodorizer, Wizard cat litter.

Dupli-Color Products

The agency is Creamer Inc., Chicago.

E-Z Por

L.W. Schumm, president
Steven Pierson, vp-sales
Peggy Fagan, ad mgr

The agency is Albert Jay Rosenthal & Co., Chicago.

Ayerst Laboratories

William Esty Co., New York, handles Reopen, Reopen Plus, Beminal Stress Plus and Engarde.

Wyeth Laboratories

F. Scott Kimmich & Co., South Norwalk, Conn., handles Mazanor and Wytensin.

Ives Laboratories New York

Klemtner Advertising, New York, also handles Cerubidine.

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C2710-1 10/13/82

Regional grocery marketing See Magazine

Advertising Age

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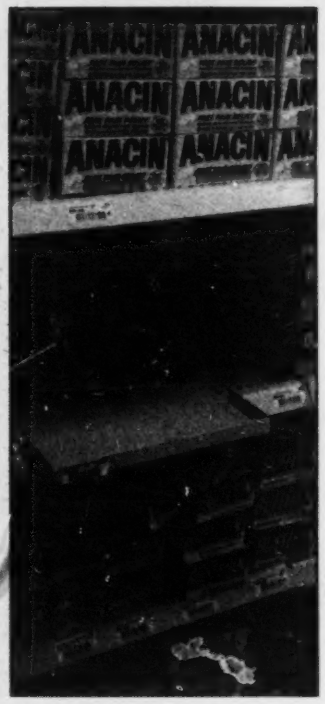
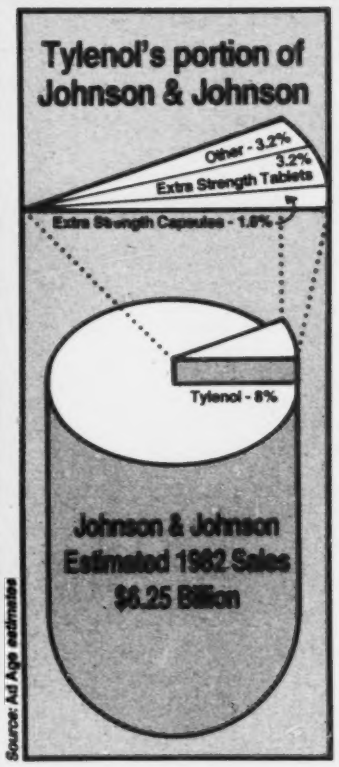


This hole on retail shelves leaves a hole in J&J sales as well.


Tylenol's portion of Johnson & Johnson
Other - 3.2%
3.2%
Extra Strength Tablets
Extra Strength Capsules - 1.8%
Tylenol - 8%
Johnson & Johnson Estimated 1982 Sales $6.25 Billion
Source: Ad Age estimates

J&J begins its drive to keep Tylenol alive

By NANCY GIGES

Less than two weeks after the grim "Tylenol murder" story began to unfold in Chicago, Johnson & Johnson management is putting together a "fight back" marketing plan that it hopes will save the $500 million brand.

The decision evolved last week, as many were questioning whether the Tylenol pain reliever line had any future. At the start of the week, J&J executives would not even address that question, noting instead that they first had to devote their efforts to helping investigators solve the mystery of the cyanide-laced Extra-Strength Tylenol capsules.

But by midweek, David Collins, president of McNeil Consumer Products, the J&J subsidiary that markets Tylenol, was typifying the company's determination to have Tylenol survive. Mr. Collins, stating his belief that his company can re-establish confidence in the brand, said, "Tylenol was built on the quality of the product, the quality of the manufacturer. The confidence of the American consumer built this product. Nothing has changed. What has changed is that we have an insane individual or individuals out there who have elected to contaminate this product."

The company is actively reviewing its options. Late Friday, J&J said it plans to run an extensive newspaper campaign this week to communicate its offer—to retailers and consumers—of exchanging Tylenol tablets for capsules. At press time Compton Advertising had begun preparing copy, but size of the ads had not been determined. A McNeil spokesman said ads would run in at least the top 100 markets.

J&J also plans to introduce new tamperproof Tylenol packaging soon. Some executives believe this new package should be ready within two months.

When will regular advertising resume? What sort of message will J&J convey to consumers? These questions are not yet resolved. But some have suggested that the logical brand-specific advertising will involve the new packaging.

The replacement promotional program was mentioned in a letter to McNeil from the Food & Drug Administration that was drafted last week. The letter expresses FDA's understanding and approval of McNeil's strategy for handling the problem.

J&J's much-lauded success in marketing Tylenol is

(Continued on Page 78)

Are competitors adding ad weight? Industry, government team for new otc packaging...Page 78.

Dodge account heading back to BBDO

DETROIT—One of the largest—and strangest—account reviews in U.S. advertising history will culminate tomorrow when BBDO regains Chrysler Corp.'s Dodge car and truck account, now valued at well over $100 million.

The decision to award the business was reached late last week, a Chrysler source said, but the announcement was put off until Tuesday. BBDO, which will be getting the largest account in its history, succeeds Kenyon & Eckhardt, which continues as the company's major agency. K&E handles the Chrysler and Plymouth car lines, whose combined ad volume is in excess of $150 million.

Until late last week, BBDO had been in a tight horse race against Ogilvy & Mather for the coveted Dodge business. "I wouldn't have classed either one of them as a front-runner," a Chrysler official said.

But Ogilvy bowed out last Thursday with the explanation that its "long-term interests" lay with its other car accounts. The agency handles the $30 million Ford Motor account in the U.K. It also handles the $8-to-$10 million Peugeot account in the U.S.

Chrysler's latest effort to split off the Dodge division from its Chrysler-Plymouth division triggered the agency search. The company periodically merges, then tries to unmerge, its car units. This time, separate marketing staffs will be set up. No changes are contemplated in field marketing staffs, which continue merged.

O&M's departure seemingly left the field clear for BBDO, which had handled the Dodge account for 38 years before losing it in 1979. At that time, Kenyon & Eckhardt was awarded all Chrysler business in what was the largest account move in history.

But Chrysler's account has since grown to an estimated $250 million and Chrysler chief Lee Iacocca decided the time had come to split it off again.

Calls went out to BBDO, O&M and N W Ayer, Detroit. Ayer declined, citing its General Motors business.

O&M apparently was anxious to land a Detroit car account, having lost out on Ford's Lincoln-Mercury business, relinquished by K&E in 1979 in gaining Chrysler. Young & Rubicam beat out O&M for Lincoln-Mercury. In addition, O&M paid an additional penalty: Mercedes-Benz fired it for going after another car account. O&M later landed Peugeot, which has a relationship with Chrysler. This did not bar O&M from pitching Dodge

(Continued on Page 78)

last minute news

Chattem Labs puts its account at Marschalk

CHATTANOOGA, TENN.—Chattem Labs has assigned its $8.5 million account to Marschalk Co., New York. Brands include Love Baby Soft toiletries, Pamprin, Corn Silk powders, Sun-In hair lightener and Mudd facial mask, previously split between W.B. Doner & Co., Baltimore, and Jan Zwiren Agency, Chicago. Clifford A. Botway Inc., New York, loses media buying. Marschalk last week resigned its fee-only creative assignment for Maybelline's Moisture Whip to take the business (AA, Oct.4).

Court refuses to block Burger King spot

MIAMI—A U.S. district court refused Friday to grant McDonald's Corp. a temporary injunction that would have banned Burger King from broadcasting a commercial in which a little girl appears and claims that McDonald's meat patties are "20% smaller" than Burger King's. McDonald's must now move ahead with a pending attempt to gain a permanent injunction against the airing of Burger King's entire ad campaign.

(Continued on Page 8)

NEWSPAPER

AA
DC2001ACONGLI FMJF M
CONGRESSIONAL INFO SERVICE
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WASHINGTON DC 20014

NFL strike: Advertisers stay sporty

By JAMES P. FORKAN

NEW YORK—As National Football League fans' withdrawal symptoms worsened, advertisers and ad agencies angled for bargains in postseason baseball and other sports coverage last week, and broadcasters struggled to cope with their switches, pullouts and makegoods.

ABC executives said an undisclosed number of "Monday Night Football" sponsors, probably including Miller Brewing Co., were moving into other sports programming, with Major League Baseball playoffs and weekend sports fare among the options. That was the most popular route being taken. Other clients were sticking with the Monday movie substitutes, while others hewed to the wait-

(Continued on Page 81)

Advertising mourns Bill Bernbach—Page 3.

Marketer vows to fight charges

Amana ads hit by FTC; first Miller false ad case

WASHINGTON—After a year in power, the Reaganite Federal Trade Commission opened prosecution of its first major advertiser last week with a complaint alleging deceptive advertising for Amana microwave ovens.

Amana was charged with misrepresenting the results of safety tests and a consumer preference survey in a print and radio campaign in late 1980 and early 1981. It was agreed on both sides that FTC is breaking no new ground with this case, a fact that fits with FTC consumer protection bureau director Tim Muris' drive to return to "nuts and bolts" ad regulation.

But Amana, in a statement, said the commission is "wasting resources that should be directed toward things that make sense," and it promised to fight the charges.

Similar cases involving abuse of test and survey data were brought by FTC against a string of national advertisers in recent years, including one against another microwave oven marketer, Litton Industries. As in the past, FTC lawyers leveled their charges without first having consumer research data proving that consumers were deceived by the Amana claims.

There was a flurry of memos exchanged within the commission last week as chairman James C. Miller III's colleagues, while supporting the complaint, twitted him for backing off from loudly proclaimed criteria requiring proof of consumer injury in ad cases.

Consumer protection chief Muris, the point man for chairman Miller in arguing that FTC needs survey evidence to show deception, said there is no inconsistency. He told ADVERTISING AGE, "We've never said the commission would not be able to make reasonable inferences about the meaning of an ad. What we have said is that, in close cases, the commission should have survey evidence."

FTC released two Amana print ads, prepared by Amana agency Foote, Cone & Belding, Chicago, along with the complaint. The first carried the head, "Only one microwave oven is built better than it has to be." Body copy claimed that, in four safety tests involving Amana and "five other major brands" of microwave ovens, only Amana passed all tests.

The complaint said the claim is false because "the independent laboratory tested ovens of six manufacturers in addition to Amana. Ovens of one other manufacturer —Panasonic—passed all the tests."

The second print ad, which appeared in appliance trade publications only, carried a similar bold

(Continued on Page 81)

Cheers to you

Three marketers of products said to reduce the effects of alcohol intoxication are beginning wide-scale promotion, with one brand ready to break network tv spots.

(See story, Page 14.)

P&G tests Citrus Hill o.j., Ivory liquid soap

By JENNIFER ALTER

Procter & Gamble is maintaining the aggressive new product pace that has been going full steam under chief executive John Smale.

With about 25 new items in various stages of market testing currently (some 13 of those products have entered the marketplace this calendar year), the Cincinnati company is opening up tests on its expected orange juice (AA, Sept. 27) and another new liquid soap, this one bearing the well-known Ivory brand. The latter move seems to verify the viability of that new segment of the $930 million soap business, of which P&G already holds a 45% share.

The most significant of the two products by far is new Citrus Hill orange juice, which will be going into a $2.5 billion fruit juice market considered ripe for P&G's marketing and advertising muscle.

Hardly a year after acquiring the citrus-processing operations of Ben Hill Griffin Inc., P&G is moving into test market in most of Indiana and Iowa with Citrus Hill o.j. in frozen concentrate and chilled forms. Touted as "100% pure orange juice" which maintains "the natural good taste of. . .orange juice," Citrus Hill is based on a "unique new technology," according to the company.

Citrus Hill is said to provide a combination of the four key orange juice attributes: Taste, aroma, appearance and texture. The company said consumers prefer Citrus Hill's natural taste, sweetness and natural texture to other leading orange juice brands.

Priced competitively with other advertised orange juices, Citrus Hill will be available in 6, 12 and 16-oz. cans and 32 and 64-oz. cartons. As P&G's first envoy into the land of refrigerators and freezers, the product is being distributed by the sales force of the company's Folger's Coffee division.

Retailers are being told the company ultimately plans to double the amount of advertising dollars spent on orange juice. Advertising, via Cunningham & Walsh, Chicago, is slated to begin by early November.

Forty-five second tv spots feature a character named "Luke," a seasoned citrus grower on location at his groves. Extensive direct mail, including coupons for free samples, also is planned.

Citrus Hill enters a category

(Continued on Page 81)

highlights

Monday, October 11, 1982

The Jan Zwiren agency in Chicago is planning to join forces with a group of McCann-Erickson staffers to form a new agency. It will try for the Midway Airlines and Budget Rent a Car accounts. *See Page 4.*

Hertz says Avis is unfairly hiring its executives in order to learn competitive secrets. *See Page 4.*

Abbott Laboratories has assigned its Murine eyecare line to Dallas-based Bloom Agency, which is on a hot streak in Second City. *See Page 6.*

Ford is pinning its hopes for better sales on some $3 billion in 1983 products. *See Page 6.*

Despite the demise of CBS Cable, a bright future for ad-supported cable is predicted by Gustave Hauser, chairman of Warner Amex Cable Communications. *See Page 10.*

Starch-blocker marketers had their day in court, and lost to the Food & Drug Administration. *See Page 10.*

The country's major retailers are attempting to bolster their catalog sales against the prospect of a gloomy Christmas season. *See Page 12.*

Products that can reverse some of the negative effects of alcohol soon will be hitting the marketplace. *See Page 14.*

E.F. Hutton & Co.'s termination of its 14-year relationship with Benton & Bowles is raising eyebrows. *See Page 22.*

The new Penthouse Pet of the Year registers her disapproval of the nuclear arms race on the cover of the November issue. *See Page 24.*

The Japanese auto makers' ad expenditures for the rollout of 1983 models will be higher than ever. *See Page 28.*

Gentlemen's Quarterly, celebrating its 25th anniversary this month, looks forward to even more growth. *See Page 38.*

American Tobacco hits New York with its new filtered version of its venerable Lucky Strike cigaret. *See Page 43.*

The Florida Citrus Commission has begun an agency review for its $5.5 million grapefruit juice and fresh grapefruit business. *See Page 43.*

Scentstrip, a new concept in fragrance sampling, is making its way into magazines. *See Page 44.*

Reader's Digest Condensed Bible makes the best-seller lists three days after it went on sale—and a week before its official publication date. *See Page 46.*

C.F. Mueller Co. has introduced what it claims is its first new product in its 117-year history. *See Page 52.*

Three of the largest cable net works have something in common with broadcast tv networks: They're being hurt by the NFL players' strike too. *See Page 60.*

Some famous faces have shown up on outdoor boards in Paris promoting Pitterson rum—President Reagan and Queen Elizabeth lookalikes. *See Page 64.*

F.W. Woolworth Co. faces some question marks. *See Page 79.*

CORPORATE CLOSEUP

Goya Foods is setting out to be included in the American shopper's weekly grocery list. *See Page 4.*

VIDEOTECH

Official Airline Guides may become one of the first publishers of print directories to capitalize on a coming videotex revolution. *See Page 54.*

Cable News Network is getting a lot of ad mileage out of its tradeout program with publishers. *See Page 54.*

MAGAZINE

The daily newspaper is his crystal ball: John "Megatrends" Naisbitt is one of the country's most-in-demand trend-trackers. *Page M-4.*

The American Automobile Assn., celebrating its 80th birthday this year, as well as thelaunch of a new publication, answers 15 million emergency road calls annually. *Page M-50.*

Grocery Marketing: Consumer brand preferences and food shopping habits change from region to region. *Page M-9.*

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WRG to close in Dallas

By TOM BAYER and JOHN J. O'CONNOR

Despite its bullish statements about being committed to the Dallas market, Wells, Rich, Greene will shutter its WRG/Southwest office there in about a month, leaving nine clients to decide whether they want their business serviced from the New York office.

WRG chairman Mary Wells Lawrence said the agency was "consolidating" the Dallas and New York offices after having invested in "new, sophisticated services" that now can be provided through offices here and in Los Angeles. The agency's news release also linked the Dallas office closing with the earlier formation of WRG/West, its Los Angeles-based entity that came about with the merger of WRG/Townsend, Newport Beach, Cal., and Johns, Cohen & Pasqualina, a subsidiary of WRG's Gardner Advertising (AA, Aug. 2).

The Dallas advertising community—which got turned off by WRG's "arrogance" when it moved to that Sunbelt metropolis in early 1979—is viewing the

(Continued on Page 81)

East Coast on rye . . . West Coast on wheat

Regional food tastes are still flavoring the U.S.

By Mary McCabe English

Traditional wisdom once held that trends started in the East and moved West, with California the last stop. Today, of course, the revised "traditional" wisdom holds that trends usually start out West, jump to the East Coast and then backtrack across the country's midsection. This goes for food, as well as for fashion, music and that contemporary catch-all—life styles.

A good case in point is the health food movement. Say alfalfa sprouts, wheat germ or granola, and chances are that locales like Pittsburgh or Cincinnati won't spring to mind.

A decade ago Mexican food was a well kept Western secret; today Mexican food is one of the "hottest" food trends hitting the country's collective taste buds.

Or take some of the "exotic" vegetables and fruits that can be found in grocery stores all over the country today—tofu, bean sprouts, alfalfa sprouts, kiwi fruit and ugli fruit. "All of these got their start in this country in California. And although they've caught on to some extent all over, they still do best there," says Robert O'Neill, executive editor of *Progressive Grocer*.

There are exceptions to the West-to-East pattern. An obvious one is the delicatessen-style food that used to thrive almost exclusively in the Philadelphia-New York area, but "today, no supermarket in the country will open without a deli," says Ernest Obermayer, publisher of *Supermarket News*.

Yet no matter where food trends start, contemporary marketing strategy, the ubiquitous sophistication of today's communications technology and the tremendous mobility of the American public combine to give them a quick trip across the country in any direction once they've taken off.

However, these factors have not erased certain regionalisms that influence the way people purchase and use food in various parts of the country. For example, in its December, 1981, "Monthly Report on Eating Out Attitudes and Behaviors," the Gallup Organization in Princeton, N.J., noted wide divergence in regional bread preferences.

"Rolls are twice as popular in the East as in other sections of the country, with 16% of all easterners reporting they like their favorite sandwich on either a hard (10%) or soft (6%) roll," Gallup reported. "Rye bread is another East Coast favorite, being named by 26% in this area, in contrast to 18% in the Midwest, 15% in the West and 8% in the South." The report also showed that white bread is most popular in the South, and whole wheat bread is a West Coast favorite.

No matter where food trends start, marketing strategy and the mobility of the public give them a trip across the country.

Southerners appear to consume more fish and shellfish than folks in other parts of the country. That, at least, was the data that turned up in a U.S. Department of Agriculture (USDA) report, "Consumer Demand for Red Meat, Poultry and Fish," based on average weekly, at-home, per-person consumption for 1981, and scheduled for release this fall.

"Essentially, we found that total meat consumption patterns didn't vary much, as far as quantity was concerned, from region to region," said one spokesman for USDA's food economics branch. "We found more variation in the quality and cuts of meat used in the various parts of the country."

The USDA report found that total weekly meat consumption was greatest in the Northeast—4.75 lbs. Using the Northeast as a yardstick, the beef category, in particular, showed little variation in regional consumption patterns. One exception was the loin and rib roast subcategory, in which the Northeast's consumption level was 0.03 lb. per week. Using that figure as the yardstick of consumption, the North Central figure was 39% lower, the South 6% higher and the West 51% higher.

Nonbeef categories also indicated greater regional differences.

Another study, conducted by Market Research Corp. of America (MRCA) for the National Marine Fisheries Service (NMFS) found that although residents of the country's coastal areas, particularly New England, consumed notably more fresh fish than anyone else, consumption of frozen fish varied little across the U.S., based on 1981 retail purchases in a sample of some 7,500 households.

For example, dividing the country into nine regions, the "National Seafood Consumption Survey" found annual per capita consumption rates ran from 13 lbs. in New England to 0.1 lb. in the West North Central states for fresh fish. However, the rates for frozen, unprocessed fish varied only from 0.6 lb. in New England to 0.3 lb. in the Pacific states and for frozen, processed fish, only from 0.7 lb. in the Mid-Atlantic, East North Central and West North Central states to 0.4 lb. in the West South Central states.

The study tabbed total annual per capita seafood consumption at 3.5 lbs. among New England states; 3 lbs., Mid-Atlantic; 2.7 lbs., South Atlantic; 2.5 lbs., Pacific; 2.1 lbs., West South Central; 1.9 lbs., East South Central; 1.8 lbs., East North Central States; 1.7 lbs., Mountain; and 1.5 lbs., West North Central.

This information was announced at a National Fisheries Institute convention last April as part of MRCA's preliminary findings. As of this writing, this and additional information from the study had not yet been made available for general circulation, according to Hoyt Wheeland, chief of NMFS's data management and information systems division in Washington.

Going from the staple to the exotic, Americans' love affair with foreign food continues to grow, but even in this category Americans show regional preferences, especially on the East and West Coasts.

Gallup's monthly eating out report noted in July that "although there have been no overall changes since 1979, in the proportions preferring each ethnic food, considerable changes have occurred in the various regions of the country." Specifically, "Italian food has become even more popular in the East, while it has declined somewhat in the Midwest and South. In contrast, Chinese food is now the favorite of a smaller proportion of Easterners than in 1979, whereas it has increased in popularity in both the South and West.

"Midwesterners seem to have

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Mary McCabe English is a Philadelphia-based business writer who reported on generics in a previous Grocery Marketing report.

Asteak in the marketplace

Consumer demand for red meat, poultry and fish

Item	(Per person at home)* Pounds consumed in the Northeast	Percent difference in: North Central	South	West
Total red meat	2.74	+4	same	−5
Beef	1.74	+9	−2	+2
Loin & rib steaks	.29	−4	+3	−7
Loin & rib roasts	.03	−39	+6	+51
Pork	.87	+7	+13	−14
Lamb, mutton, veal	—negligible amounts—	—	—	—
Total poultry	1.13	−25	−7	−22
Chicken	.96	−25	−5	−22
Turkey	.16	−24	−16	−16
Fish & shellfish	.39	−27	+13	−11
Miscellaneous Including frankfurters & lunchmeat	.48	+15	−4	−8

*Averages, not raw figures adjusted statistically for race, income, urbanization, seasonality, etc.
Source: Food Economics Branch, U.S. Dept. of Agriculture

Habits

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tend to stick with familiar national brands—usually the same ones their parents bought.

"I'm sure there's a logic in a lot of these patterns," comments Mr. Bishop, "but once they're detected, they can be acted on."

Hard data on consumption of different products, though, used to be several weeks old before it filtered back through the distribution system to a store manager's desk. Explains the Chicago industry observer, "With scanner data, you can really analyze product movement very specifically. If I want to measure the inner city vs. the suburbs, and find out how this product moves compared [to a basis of] 1,000 cash register transactions, I can even do that store by store and then tie that in with census and demographic data."

"The next step is to develop a [shoppers panel] for a particular store and then interpret the data from the panel store and apply it to other stores within the marketing segment," adds Mr. Bishop.

The variety of products available in grocery stores today is astounding. Keeping up with the changing needs of the American consumer, however, is not as cut and dried as it once was. Giving the customer what he or she wants is definitely presenting some interesting challenges to grocery marketers these days.

East Coast on rye

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acquired a taste for Mexican food, as it is now the favorite of 24%, compared with only 17% in 1979.

"Eating foreign dishes at home has grown [nationwide] by about 45%, compared to what we found in our 1972-73 study," says Jack Abrams, vp of MRCA's Menu Census Services in Northbrook, Ill., referring to the company's "National Household Menu Census Study" results for the first half of its 1981-82 reporting period. "The biggest increases have come from growth in carry-in, 30%, and frozen, about 50%. Pizza, for one, has shown almost 200% total growth, with almost 300% growth in carry-in. Even homemade pizza has grown fourfold."

Sales of "healthy" foods are also up—more so in some parts of the country than others.

Yogurt, for example, enjoys its greatest sales index in metropolitan New York, Los Angeles and Chicago, according to one industry source.

"The yogurt explosion began in New York, in the Northeast and New England, moved West and then filled in the middle of the country," says William Camacho, marketing director of Dannon yogurt, Long Island City, N.Y. "I think the product is basically weakest in the Southeast, where it has yet to be discovered, so to speak. It is most popular in sophisticated, metropolitan areas."

Mr. Camacho notes that although there has been tremendous growth in yogurt consumption over the last 10 years—"Per capita consumption saw a 120% increase from 1971 to 1981," he says—there is plenty of growth potential.

"Basically, fewer than half of [American consumers] eat yogurt with any regularity .... About 30% of the population are regular users," Mr. Camacho says. "In the U.S. in general, yogurt consumption is still only one-tenth of what it is in France, so we know that there's a tremendous number of new users still out there."

Herbal tea is another food product riding the crest of Americans' health consciousness. Once limited to health food stores, herbal teas are now available in neighborhood supermarkets across the country, but probably do their greatest volume "on the West Coast and in cities like Boston and other areas with large university concentrations," says a spokesman for one tea manufacturer.

"We're distributed all over the country, but you could say that people on the West Coast seemed to pick them up faster," says William J. Mangan, executive vp of R.C. Bigelow Inc., Norwalk, Conn., which began marketing a half dozen herbal teas in the late 1960s and currently has nine varieties on the market, and expects to add a tenth to grocery shelves by year's end.

"The Northeast area around Boston, with all its universities, is a good area, too," Mr. Mangan remarks. "It was a youthful market that really started the spread of herbal teas, just like health foods in general. I guess you could say it followed a typical growth pattern. It was big on the West Coast and in the East, in areas of low median age. It moved into the Midwest more slowly. The South was a little slow, too. You have great iced tea drinkers down South, so that made it take a little longer for herb teas to catch on, but you'll find them in the Southern markets too."

On the other hand, Arnold Belasco, vp of Royal Crown Cos., Atlanta, says that company's sugar-free, caffeine free cola, RC 100, has been "an instant success" just about everywhere it has been marketed since its April, 1980, introduction in eight U.S. markets as a cola first.

"RC 100 is very strong in Chicago, which happens to be our largest market. There's no doubt about that," Mr. Belasco says. "But it's also very strong on the West Coast. It's very big in Los Angeles and the East Coast, a little weaker in New York, maybe. However, that's only because of the extreme discounting on all soft drinks in New York. Those are trend cities—very strong 'diet' cities in general—but I really can't think of any part of the country where the product has not taken off. I think it's obvious now that caffeine-free, sugar-free products are a growth area nationwide."

Campbell Soup Co.'s new line of seven low-sodium soups, rolled out last February, hasn't been on supermarket shelves long enough for the Camden, N.J.-based company to have any answers about its geographic strengths, but one company spokesman says preintroduction research failed to turn up marked differences in regional attitudes toward the new line.

"We did not discern any appreciable differences in people's buying habits or attitudes in the research we did around the country prior to rolling out this new line," says company spokesman Scott Rombach. Incidentally, Mr. Rombach notes, there are regional preferences for some of Campbell's other soups. Black bean soup, for example, is big in Philadelphia and some parts of Los Angeles, and pepper pot soup is a Philadelphia and New York favorite.

Despite the popularity of many foods nationwide and the various factors that homogenize today's consumers, several industry sources agree that regionalism will continue to shade U.S. food consumption, at least for the near future.

"You will always have the question of receptivity," says professor Charles S. Goodman, a member of the marketing faculty at the University of Pennsylvania's Wharton School of Business in Phildelphia. "No matter how many times you showed the Santa Cruz life style to Dubuque, for example, it's doubtful that they'd accept it.

"Yes, we have all this modern communications technology and, I think, even more than communications, it's today's mobility. Yet, I don't expect Philadelphians will ever act like Californians, or vice versa. They will move toward each other, but I would be shocked if you could ever make a statement about Philadelphia like the one a young lady in Santa Cruz made to me a couple of years ago about Santa Cruz. She said, 'In Santa Cruz, it's a more serious crime to eat meat than to use drugs.'"

As the French (or Philadelphians) might say, *Vive la difference!*

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